United States Department of Agriculture
National Agricultural Statistics Service

Montana Crop & Livestock Reporter

Cooperating with the Montana Department of Agriculture

Issue: 07-22 Released: November 27, 2007

HIGHLIGHTS

October Milk Production
November 1 Cattle on Feed
October Red Meat Production
October Egg Production
Farm Labor
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October Milk Production up 4.1 Percent

Milk production in the 23 major States during October totaled 14.2 billion pounds, up 4.1 percent from October 2006. September revised production at 13.7 billion pounds, was up 3.1 percent from September 2006. The September revision represented an increase of 10.0 million pounds or 0.1 percent from last month's preliminary production estimate.

Production per cow in the 23 major States averaged 1,699 pounds for October, 47 pounds above October 2006.

The number of milk cows on farms in the 23 major States was 8.35 million head, 98,000 head more than October 2006, and 13,000 head more than September 2007.

U.S. Cattle on Feed Down 2 Percent

Cattle and calves on feed for slaughter market in the United States for feedlots with capacity of 1,000 or more head totaled 11.8 million head on November 1, 2007. The inventory was 2 percent below November 1, 2006 but 3 percent above November 1, 2005.

Placements in feedlots during October totaled 2.72 million, 12 percent above 2006 but 3 percent below 2005. Net placements were 2.67 million head. During October, placements of cattle and calves weighing less than 600 pounds were 855,000, 600-699 pounds were 745,000, 700-799 pounds were 556,000, and 800 pounds and greater were 560,000.

Marketings of fed cattle during October totaled 1.88 million, 6 percent above 2006 and 8 percent above 2005. Other disappearance totaled 47,000 during October, 42 percent below 2006 and 19 percent below 2005.

October 2007 Red Meat Production

Montana slaughter plants produced 1.5 million pounds, dressed weight, of red meat during October 2007, down 25 percent from last year, but up 10 percent from September's production. Cattle slaughter totaled 1,900 head, 600 head below a year ago. The average live weight decreased 11 pounds from the previous year to 1,149 pounds.

During October there were 1,200 hogs slaughtered, down 500 head from a year ago. The average live weight, at 246 pounds, was unchanged from last year. October sheep slaughter totaled 400 head, down 200 head from October 2006. The average live weight increased 30 pounds to 111 pounds.

Commercial red meat production for the United States totaled 4.61 billion pounds in October, up 10 percent from the 4.20 billion pounds produced in October 2006.

Beef production, at 2.44 billion pounds, was 9 percent above the previous year. Cattle slaughter totaled 3.10 million head, up 8 percent from October 2006. The average live weight was up 9 pounds from the previous year, at 1,300 pounds.

Veal production totaled 11.1 million pounds, 16 percent below October a year ago. Calf slaughter totaled 65,200 head, up 3 percent from October 2006. The average live weight was down 59 pounds from last year, at 288 pounds.

Pork production totaled 2.14 billion pounds, up 11 percent from the previous year. Hog kill totaled 10.7 million head, up 11 percent from October 2006. The average live weight was up 1 pound from the previous year, at 270 pounds.

Lamb and mutton production, at 16.4 million pounds, was up 5 percent from October 2006. Sheep slaughter totaled 248,000 head, 5 percent above last year. The average live weight was 132 pounds, up 1 pound from October a year ago.

January to October 2007 commercial red meat production was 40.3 billion pounds, up 2 percent from 2006. Accumulated beef production was up 1 percent from last year, veal was down 3 percent, pork was up 3 percent from last year, and lamb and mutton production was down 2 percent.

October Egg Production Up Slightly

U.S. egg production totaled 7.70 billion during October 2007, up slightly from last year. Production included 6.57 billion table eggs, and 1.13 billion hatching eggs, of which 1.06 billion were broiler-type and 67 million were egg-type. The total number of layers during October 2007 averaged 341 million, down 1 percent from last year. October egg production per 100 layers was 2,253 eggs, up 1 percent from October 2006.

All layers in the U.S. on November 1, 2007 totaled 343 million, down 1 percent from last year. The 343 million layers consisted of 284 million layers producing table or market type eggs, 56.2 million layers producing broiler-type hatching eggs, and 2.87 million layers producing egg-type hatching eggs. Rate of lay per day on November 1, 2007, averaged 72.6 eggs per 100 layers, up 1 percent from November 1, 2006.

Egg-type chicks hatched during October 2007 totaled 35.8 million, down 1 percent from October 2006. Eggs in incubators totaled 34.5 million on November 1, 2007, up 9 percent from a year ago.

Domestic placements of egg-type pullet chicks for future hatchery supply flocks by leading breeders totaled 184 thousand during October 2007, down 17 percent from October 2006.

Broiler-type chicks hatched during October 2007 totaled 795 million, up 3 percent from October 2006. Eggs in incubators totaled 634 million on November 1, 2007, up 4 percent from a year earlier.

Leading breeders placed 6.97 million broiler-type pullet chicks for future domestic hatchery supply flocks during October 2007, up 3 percent from October 2006.

Hired Workers Up 3 Percent, Wage Rates Up 4 Percent From a Year Ago

There were 1,122,000 hired workers on the Nation's farms and ranches during the week of October 7-13, 2007, up 3 percent from a year ago. Of these hired workers, 806,000 workers were hired directly by farm operators. Agricultural service employees on farms and ranches made up the remaining 316,000 workers.

Farm operators paid their hired workers an average wage of $10.33 per hour during the October 2007 reference week, up 37 cents from a year earlier. Field workers received an average of $9.62 per hour, up 36 cents from last October, while livestock workers earned $9.98 per hour compared with $9.42 a year earlier. The field and livestock worker combined wage rate, at $9.72 per hour, was up 42 cents from last year.

The number of hours worked averaged 42.1 hours for hired workers during the survey week, up fractionally from a year ago.

The largest increases in the number of hired farm workers from last year occurred in the Southern Plains (Oklahoma and Texas), Appalachian I (North Carolina and Virginia), Lake (Michigan, Minnesota, and Wisconsin), and Appalachian II (Kentucky, Tennessee, and West Virginia) regions. In the Southern Plains and Lake regions, considerably drier conditions compared with last year's reference week resulted in a stronger demand for hired workers. Warm, dry conditions in the Appalachian I region caused vegetables to mature rapidly, and cotton harvest in North Carolina was well ahead of last year's pace. These factors led to an increased need for hired workers. In the Appalachian II region, worker demand was higher due to increased sorghum harvest in Kentucky and increased cotton harvest in Tennessee compared with last year's pace.

The largest decreases in the number of hired farm workers from a year ago were in the Pacific (Oregon and Washington), California, Mountain II (Colorado, Nevada, and Utah), Northeast II (Delaware, Maryland, New Jersey, and Pennsylvania), and Delta (Arkansas, Louisiana, and Mississippi) regions.

In the Pacific region, wetter conditions compared with last year's reference week caused some fieldwork delays and reduced the demand for hired workers. In California, worker numbers were down slightly from last year due to continued shortages caused by unsettled political issues on immigration. Some California grape growers have resorted to mechanical harvest methods because of the worker shortages. Persistent dryness in the Mountain II region delayed completion of small grain seeding. The lack of precipitation also caused pastures to deteriorate and led some livestock producers to reduce inventories. Therefore, fewer hired workers were needed. In the Northeast II region, lingering effects from the season-long drought caused production of corn and soybeans to be considerably below last year, lowering worker demand. Dry conditions in the Delta region slowed the progress of winter wheat seeding, decreasing the demand for hired workers.

Hired farm worker wage rates were generally above a year ago in most regions. The largest increases occurred in the Northeast II, Lake, Mountain II, Mountain III (Arizona and New Mexico), and Corn Belt II (Iowa and Missouri) regions. In the Northeast II, Mountain II, and Corn Belt II regions, the higher wages were due to a lower proportion of part time workers. Strong demand for skilled workers in the dairy industry pushed wages higher in the Mountain III region. In the Lake Region, the higher wages were due to the heavy demand for skilled fruit pickers and dairy workers.

The 2007 U.S. all hired worker annual average wage rate was $10.21, up 3 percent from the 2006 annual average wage rate of $9.87. The U.S. field worker annual average wage rate was $9.40, up 34 cents from last year's annual average. The field and livestock worker combined annual average wage rate at the U.S. level was $9.49, up 4 percent from last year's annual average wage rate of $9.15.

Hired Workers: Annual Average Wage Rates By Region, 2006-07 1/

Region 2/	All Hired		Field		Field & Livestock	
	2006	2007	2006	2007	2006	2007
	Dollars per Hour					
Northeast I	10.35	10.49	9.70	9.92	9.50	9.70
Northeast II	10.09	10.62	9.58	9.88	9.29	9.70
Appalachian I	9.64	9.36	9.08	8.78	9.02	8.85
Appalachian II	9.30	9.75	8.43	8.79	8.65	9.13
Southeast	9.05	9.15	8.48	8.50	8.51	8.53
Florida	9.38	9.73	8.51	8.82	8.56	8.82
Lake	10.37	10.87	9.64	10.12	9.65	10.01
Cornbelt I	10.59	10.55	10.18	10.08	9.88	9.90
Cornbelt II	10.65	11.10	9.39	9.89	9.95	10.44
Delta	8.34	8.78	7.83	8.28	8.01	8.41
Northern Plains	9.95	10.36	9.65	10.13	9.55	9.90
Southern Plains	9.33	9.53	8.17	8.38	8.66	9.02
Mountain I	9.25	9.24	8.77	8.50	8.76	8.74
Mountain II	9.36	10.03	8.42	9.23	8.64	9.42
Mountain III	8.91	9.37	7.78	8.26	8.27	8.70
Pacific	10.37	10.69	9.68	9.87	9.77	9.94
California	10.09	10.51	9.00	9.56	9.20	9.72
Hawaii	12.18	12.84	10.20	10.70	10.32	10.86
United States 3/	9.87	10.21	9.06	9.40	9.15	9.49

1/ Excludes Agricultural Service Workers. Annual rates are averages of the published wage rates for each survey week weighted by the number of hours worked during the week. The annual average for all States, Regions, and the U.S. is based on data collected for January, April, July, and October. 2/ Regions consist of the following Northeast I: CT, ME, MA, NH, NY, RI, VT. Northeast II: DE, MD, NJ, PA. Appalachian I: NC, VA. Appalachian II: KY, TN, WV. Southeast: AL, GA, SC. Lake MI, MN, WI. Cornbelt I: IL, IN, OH. Cornbelt II: IA, MO. Delta: AR, LA, MS. Northern Plains: KS, NE, ND, SD. Southern Plains: OK, TX. Mountain I: ID, MT, WY. Mountain II: CO, NV, UT. Mountain III: AZ, NM. Pacific: OR, WA. 3/ Excludes AK.

World Ag Supply and Demand Estimates

The U.S. wheat supply and use projections are mostly unchanged this month with imports raised 5 million bushels reflecting the strong pace of hard red spring wheat shipments from Canada. With other categories of use unchanged, ending stocks for 2007/08 are projected 5 million bushels higher at 312 million. The projected season-average farm price is narrowed 10 cents on each end of the range to $5.90 to $6.30 per bushel.

Global wheat production for 2007/08 is projected up 2.8 million tons this month reflecting higher output in Argentina, China, and Ethiopia, which more than offsets reductions in Australia and Brazil. Production for Argentina is raised 1.0 million tons on higher harvested area and improved yield prospects with a continuation of excellent growing season weather since mid-September. China production is increased 1.0 million tons reflecting recent government reports. Production for Ethiopia is raised 1.0 million tons on higher yields with good growing season weather. Australia production is cut 0.5 million tons as crop prospects continue to decline with drought persisting in key southeastern growing areas. Recent rains during harvest may also have adversely affected grain quality and yields. Brazil output is lowered 0.2 million tons based on an expected reduction in harvested area.

World imports for 2007/08 are lowered 0.4 million tons. Imports for India are lowered 1.0 million tons with smaller reductions for South Korea, Bangladesh, and Sri Lanka. Partly offsetting are increases for Morocco, Azerbaijan, Brazil, Uzbekistan, and the United States. Exports are nearly unchanged with Australia and EU-27 exports both reduced 0.5 million tons and Argentina raised 1.0 million tons.

World wheat consumption for 2007/08 is projected 1.3 million tons higher as increased production supports higher food use in some developing countries even as high prices and lower supplies elsewhere reduce world wheat feeding. Higher production in Ethiopia, Sudan, and Nigeria, is expected to increase food use in Sub-Saharan Africa. Wheat feeding, however, is lowered for Australia, Canada, EU-27, and South Korea. With higher world beginning stocks and increased production, world ending stocks are projected 2.8 million tons higher than last month. At 109.8 million tons, 2007/08 world ending stocks remain the lowest in 30 years.

Projected U.S. ending stocks of corn for 2007/08 are lowered 100 million bushels this month as lower production more than offsets reduced feed and residual use. Production is forecast at 13.2 billion bushels, down 150 million on lower yields. Corn feed and residual use is lowered 50 million bushels reflecting the smaller crop and higher expected prices. The season-average farm price is projected at $3.20 to $3.80 per bushel, up 30 cents on both ends of the range on strong cash prices that have continued to rise despite this year's record corn crop.

World coarse grain supplies are projected 0.8 million tons higher this month as a small reduction in global corn output is more than offset by higher production for the other coarse grains. Lower corn production in the United States and Nigeria is partly offset by increases for China, Ethiopia, EU-27, India, and Ukraine. China corn production is raised 2.0 million tons this month reflecting higher harvested area as recent provincial reports indicate higher-than-expected planted area. Corn production in EU-27 is raised 0.5 million tons mostly on increases for Italy and France. Corn production for Ukraine is raised 0.5 million tons on higher expected yields reflected in early harvest results.

Global coarse grain imports and exports are both projected higher this month. Imports are raised 0.7 million tons with the biggest increases for EU-27, Canada, and Japan. Corn imports for Canada are raised 0.3 million tons as wheat feeding is reduced a like amount. Corn imports are raised 0.2 million for Japan supporting increases in feeding and other domestic uses. Partly offsetting is a reduction in corn imports for South Korea. Global coarse grain exports are raised 2.2 million tons with the biggest increase for the United States as sorghum and barley exports are raised. Also raised are EU-27 barley exports, India corn exports, and South Africa corn exports. A 0.3-million-ton reduction in barley exports by Australia is partly offsetting. World coarse grain ending stocks are nearly unchanged.

U.S. oilseed ending stocks for 2007/08 are projected at 6.8 million tons, down 0.1 million from last month. Total U.S. oilseed production is projected at 80.1 million tons, up 0.1 million tons due to higher cottonseed and peanut output. Soybean production is forecast at 2.594 billion bushels, down 4 million bushels based on a lower soybean yield of 41.3 bushels per acre. Soybean ending stocks are down 5 million to 210 million bushels.

Soybean and product price forecasts are all raised this month. The U.S. season-average soybean price for 2007/08 is projected at $8.50 to $9.50 per bushel, up 65 cents on both ends of the range, reflecting sharply higher cash and futures prices. Soybean meal prices are projected at $235 to $265 per short ton, up $15 on both ends of the range. Soybean oil prices are projected at 37.5 to 41.5 cents per pound, up 3 cents on both ends of the range. Soybean oil prices at Decatur, Illinois, have recently exceeded 41.5 cents per pound and have increased almost 15 percent in the past month.

Global oilseed production for 2007/08 is projected at 390.4 million tons, down 1.6 million tons from last month. Foreign production accounts for most of the change as reduced rapeseed and cottonseed production are only partly offset by increased sunflower seed. Foreign rapeseed production is reduced 1.1 million tons mainly due to lower production prospects for India. Sharply lower rapeseed area is expected due to India's minimum-support price changes favoring wheat over rapeseed. Rapeseed production is also projected 200,000 tons lower for Australia. Global cottonseed production is reduced mainly due to lower output for Pakistan where insect damage has reduced prospects for the cotton crop. Sunflower seed production is raised for Argentina due to increased area as producers respond to sharply higher prices for sunflower seed relative to other crops. Other changes include higher rapeseed and sunflower seed production for EU-27, lower sunflower seed production for Russia, increased soybean production for Paraguay, and reduced soybean production for China. Global palm oil production for both 2006/07 and 2007/08 is projected higher due to increased output for Indonesia.
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World Ag Supply and Demand Estimates (continued from page three)

Global oilseed ending stocks for 2007/08 are reduced 1.8 million tons to 56.3 million tons mainly reflecting lower soybean stocks in Brazil and China. Brazil stocks are reduced due to a projected increase in soybean crush for both 2006/07 and 2007/08. Global oilseed stocks for 2007/08 are projected down 21 percent from 2006/07. Global vegetable oil ending stocks are projected higher this month mainly due to increased palm oil stocks in Indonesia.

The forecast for total 2007 U.S. meat production is raised reflecting stronger fourth-quarter production estimates for red meat and poultry. Cattle slaughter forecasts are increased as packers bid aggressively for fed cattle and cow slaughter remains large. Hog slaughter is expected to remain strong through the fourth quarter. The broiler production forecast is raised as September production was larger than expected and hatchery data point to continued expansion. Turkey production forecasts are also raised. For 2008, total meat production is increased as higher broiler and turkey production forecasts more than offset lower beef production. Pork production is reduced slightly as higher feed prices are expected to limit weight gains. Egg production forecasts are reduced as the hatching egg flock is expanding slower than expected despite record egg prices.

The 2007 and 2008 meat export forecasts are reduced. U.S. beef export forecasts are reduced reflecting the suspension of exports to South Korea pending successful negotiation of new import protocols. Pork exports are raised as lower prices and a weaker dollar are expected to support increased sales.

Forecasts for 2007 and 2008 cattle prices are reduced. Current cattle prices are weakening and larger supplies of meat are expected to pressure cattle prices. Hog prices are lower for 2007 and early 2008 reflecting large slaughter and higher total meat supplies. The broiler price forecast is reduced for 2007 but unchanged for 2008 as continued demand strength is expected to support near-record prices despite somewhat larger supplies. Egg prices are increased slightly for 2007 reflecting current demand strength but are unchanged for 2008.

Forecast milk production for 2007 and 2008 is reduced. Cow herds and milk per cow are expanding gradually although USDA's Milk Production report released in October indicated that the pace is slightly below earlier expectations. Imports are reduced for both 2007 and 2008. A weak U.S. dollar and tight milk supplies in major exporting countries are expected to result in lower imports on both a fat and skim-solids basis. Ending stocks for 2007 on a fat basis are forecast higher than last month reflecting continued large supplies of butter. Skim-solids stocks are unchanged from last month as nonfat dry milk (NDM) stocks are expected to diminish as product moves into export channels.

Dairy product prices are changed slightly in 2007 and 2008. Cheese price forecasts are raised in both years reflecting good demand and modest growth in supplies. Butter prices are reduced for 2007 and early 2008 as supplies have been building. NDM prices are reduced for 2007 on rising inventories. Dry whey prices are little changed. As a result of stronger cheese price forecasts, the Class III price forecast is raised for 2007 and 2008. The Class IV price forecast is lowered for 2007, but unchanged in 2008. The all milk price is forecast at $18.95 to $19.05 per cwt for 2007 and $17.70 to $18.60 per cwt for 2008, unchanged from last month.

Wheat: Supply, Disappearance, and Price, United States, 1993-2007

Year Begin-ning June 1	SUPPLY				DISAPPEARANCE						Ending Stocks May 31	Season Avg. Price
	Begin-ning Stocks	Pro-duction	Imports 1/	Total	Domestic Use				Exports 1/	Total Disap-pearance		
					Food	Seed	Feed 2/	Total				
	-- Million Bushels --											$
1993	531	2,396	109	3,036	872	96	272	1,240	1,228	2,467	568	3.26
1994	568	2,321	92	2,981	853	89	344	1,287	1,188	2,475	507	3.45
1995	507	2,183	68	2,757	883	104	153	1,140	1,241	2,381	376	4.55
1996	376	2,277	92	2,746	891	102	308	1,301	1,001	2,302	444	4.30
1997	444	2,481	95	3,020	914	92	251	1,257	1,040	2,298	722	3.38
1998	722	2,547	103	3,373	908	81	397	1,385	1,042	2,427	946	2.65
1999	946	2,299	95	3,339	929	92	279	1,300	1,090	2,390	950	2.48
2000	950	2,232	90	3,272	950	80	304	1,334	1,062	2,396	876	2.62
2001	876	1,957	108	2,941	926	84	190	1,200	964	2,164	777	2.78
2002	777	1,606	81	2,464	919	84	119	1,122	850	1,972	491	3.56
2003	491	2,345	63	2,899	912	80	203	1,194	1,158	2,353	546	3.40
2004	546	2,158	71	2,775	910	78	182	1,169	1,066	2,235	540	3.40
2005	540	2,105	81	2,726	915	78	160	1,152	1,003	2,155	571	3.42
2006 3/	571	1,812	122	2,505	934	81	125	1,140	909	2,049	456	4.26
2007 3/	456	2,067	90	2,613	940	86	125	1,151	1,150	2,301	312	5.90-6.30

1/ Imports and exports include flour and other products expressed in wheat equivalent. 2/ Residual, approximates feed use and includes negligible quantities used for distilled spirits. 3/ Preliminary.

SOURCE: World Agricultural Supply and Demand Estimates, November 9, 2007--ERS. Totals may not add due to independent rounding.

COMING IN THE NEXT REPORTER

- Livestock and Meat Imports and Exports--ERS
- U.S. Meat Supply and Use--ERS
- Ag Prices Received
- Christmas Letter
- Dry Bean Production

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